

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6742

BILL NUMBER: SB 141

DATE PREPARED: Apr 10, 2001

BILL AMENDED: Apr 9, 2001

SUBJECT: Liability at Extreme Sports Parks.

FISCAL ANALYST: John Parkey

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: (Amended) This bill contains the following provisions:

(1) It defines "extreme sports area". It provides that a governmental entity that operates an extreme sports area has limited tort claims immunity for damages at an extreme sports area if : (1) a set of rules governing the use of the facility is clearly posted at each entrance to the extreme sports area; and (2) a warning concerning the hazards and dangers associated with the use of the facility is clearly posted at each entrance to the extreme sports area. The bill provides that a governmental entity that operates an extreme sports area is required to maintain the area in a reasonably safe condition.

(2) It provides that a physician or registered nurse acting outside the scope of the physician's or nurse's employment who render gratuitous emergency care have immunity from liability for claims arising from the provision of the emergency care.

(3) It specifies that the cap on liability for tort claims may be raised if the entity covered by the tort claims statute has liability insurance that exceeds the tort claims limit.

Effective Date: (Amended) Upon Passage; July 1, 2001.

Explanation of State Expenditures: (Revised) (1) This provision has the potential to decrease the number of lawsuits filed because it confers civil immunity to public owners and operators of specified recreation areas, provided certain conditions are met. The specific fiscal impact of this bill is indeterminable, as any cost savings would depend on the number of lawsuits that would have been filed against the state for civil damages for injuries caused from activities within an "extreme sports area."

The Office of the Attorney General reports the amount of all damages paid as a result of tort claims submitted and tort claim lawsuits filed against the State and by plaintiffs in tort and civil rights litigation

between CY 1995 and CY 1999 as follows:

<u>CY</u>	<u>Damages Paid</u>
1999	\$ 5,052,346
1998	\$ 2,935,075
1997	\$ 3,438,230
1996	\$ 5,742,977
1995	\$ 6,362,071

The amount paid includes tort claims paid at the time of claim submission, settlements upon the filing of lawsuits, and settlements paid as a result of a court order. It also includes cases in both federal and state court.

Explanation of State Revenues: (1) If the proposal decreases the number of civil actions that would have occurred, the state would experience a decrease in revenue from filing fees that are deposited in the state General Fund.

Explanation of Local Expenditures: (Revised) (1) The fiscal impact of this provision is indeterminable. Any cost savings to local political units would depend on the number of lawsuits that would have been filed against a local unit for civil damages on injuries sustained within the recreation areas described in this bill.

Background Information: There are eight known public skateboard and in-line skate parks in the state: Valparaiso, Indianapolis, Columbus, Crown Point, Ellettsville, Cicero, Crawfordsville, and Anderson.

(3) Under current law, damage awards cannot exceed \$300,000 for the injury to, or death of, one person in any one occurrence and \$5 M for the injury to, or death of, all persons in that occurrence. This bill would allow those caps to be exceeded *if* the governmental entity that is sued has a liability insurance policy that exceeds the limits. The impact of this provision on local governmental entities is indeterminable. It will be contingent on the type and number of lawsuits brought against an entity and any impact the provision may have on liability insurance premiums.

Explanation of Local Revenues: (1) If the proposal decreases the number of civil actions that would have occurred, counties and municipalities may experience a decrease in the potential for revenue from filing fees that are deposited in county general funds.

State Agencies Affected: Office of the Attorney General.

Local Agencies Affected: Counties; cities and towns; clerks.

Information Sources: Daniel Dovenbarger (232-6201), Office of the Attorney General; Indiana Association of Cities and Towns.